IN THE UNITED STATED DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

MICHAEL A. DiCICCO and STACEY A. DiCICCO individually and on behalf of all others similarly aggrieved	:	No.
	:	Class Action
vs.	:	
CITIZENS FINANCIAL GROUP, INC.	:	
and	:	
CITIZENS BANK OF PENNSYLVANIA, INC. 1735 Market Street Philadelphia, PA 19103	:	

Exhibits to Class Action Complaint

A. July 1, 2014 Office of The Currency Interagency Guidance on Home Equity Lines Of Credit Nearing their End-of-Draw Periods.

B. Citizens Bank Sept. 8, 2014 Amended SEC S-1 Reg. Statement describing "HELOC Shock" (excerpts).

C. Home Equity Line of Credit Loan Agreement between plaintiffs and Citizens Bank.

D. February 6, 2013 End-of-Draw Notice from Citizens Bank to plaintiffs misrepresenting that the HELOC Loan Agreement requires "180 months in equal principal payments".

E. WSJ Prime Rate (historic rates 2000 to 2014).

F. Amortized 15 Year Minimum Payment Schedule (prepared with Citizens Bank internet Monthly Payment calculator).

G. Citizens Bank Default Notice to plaintiffs listing Monthly Minimum Payments.

H. Spreadsheet: Excess Minimum Payments charged by Citizens Bank.

Exhibit A

Office of the Comptroller of the Currency
U.S. Department of the Treasury

OCC BULLETIN 2014-29

Subject: Risk Management of Home Equity Lines of Credit Approaching the End-of-Draw Periods
Date: July 1, 2014

To: Chief Executive Officers of All National Banks, Federal Savings Associations, Federal Branches and Agencies of Foreign Banks, Department and Division Heads, All Examining Personnel, and Other Interested Parties

Description: Interagency Guidance

Summary

The Office of the Comptroller of the Currency (OCC), the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, and the National Credit Union Administration (collectively, the agencies), in conjunction with the Conference of State Bank Supervisors, have jointly issued supervisory guidance on risk management practices for home equity lines of credit (HELOC) approaching the end-of-draw (EOD) period.

Highlights

As HELOCs approach scheduled maturity or repayment phases, borrowers could face substantial payment shock when they are required to start amortizing principal. Borrowers may be unable to meet new payment terms or refinance existing debt as economic conditions and property values may have changed since origination. As HELOC draw periods approach expiration, the agencies expect lenders to manage risks in a disciplined, prudent manner; to work with troubled borrowers to avoid unnecessary defaults; and to engage in appropriate risk recognition.

The guidance describes

- five core operating principles that should govern management's oversight of HELOCs nearing their EOD period.
- 10 EOD risk management expectations that promote a clear understanding of potential exposures and help guide consistent, effective responses to HELOC borrowers who may be unable to meet contractual obligations.

Note for Community Banks

This supervisory guidance is applicable to all OCC-supervised institutions. While this guidance includes comprehensive and detailed risk management expectations, the size and complexity of the risk management processes should be commensurate with HELOC volumes and exposure types.

Further Information

Please contact your supervisory office or direct questions to Robert Pippergerdes, Director for Retail Credit Risk, at (202) 649-6360.

John C. Lyons Jr.
Senior Deputy Comptroller and Chief National Bank Examiner

Related Link

- "Interagency Guidance on Home Equity Lines of Credit Nearing Their End-of-Draw Periods" (PDF)

Office of the Comptroller of the Currency
Board of Governors of the Federal Reserve System
Federal Deposit Insurance Corporation
National Credit Union Administration
Conference of State Bank Supervisors

July 1, 2014

Interagency Guidance on Home Equity Lines of Credit Nearing Their End-of-Draw Periods

The federal financial institutions regulatory agencies (the agencies)[1] in conjunction with the Conference of State Bank Supervisors recognize that financial institutions and residential mortgage borrowers may face challenges as home equity lines of credit (HELOC) near their end-of-draw periods. As HELOCs transition from their draw periods to full repayment, many borrowers will have the financial capacity to pay as agreed. Some borrowers, however, may have difficulty meeting higher payments resulting from principal amortization or interest rate reset, or renewing existing loans due to changes in their financial circumstances or declines in property values.

When borrowers experience financial difficulties, financial institutions and borrowers generally find it beneficial to work together to avoid unnecessary defaults. As HELOC draw periods approach expiration, lenders should communicate clearly and effectively with borrowers and prudently manage exposures in a disciplined manner.

This guidance describes core operating principles that should govern management's oversight of HELOCs nearing their end-of-draw periods. The guidance also describes components of a risk management approach that promotes an understanding of potential exposures and consistent, effective responses to HELOC borrowers who may be unable to meet contractual obligations. In addition, the guidance highlights concepts related to financial reporting for HELOCs. The HELOC end-of-draw guidance should be applied in a manner commensurate with the size and risk characteristics of a financial institution's HELOC portfolio.

Background

A HELOC is a dwelling-secured line of credit that generally provides a draw period followed by a repayment period. During the draw period, a borrower has revolving access to unused amounts under a specified line of credit. This line of credit often requires interest-only payments. During the repayment period, borrowers can no longer draw on the line of credit, and the outstanding principal is either due immediately in a balloon payment or is repaid over the remaining loan term through higher monthly payments, resulting in payment shock.

General supervisory expectations for appropriate HELOC underwriting, account management, accounting and reporting, and loss mitigation activities are addressed in publications that cover the following topics:

- *Credit Risk Management Guidance for Home Equity Lending*[2]
- *Uniform Retail Credit Classification and Account Management Policy*[3]
- *Interagency Supervisory Guidance Addressing Certain Issues Related to Troubled Debt Restructurings*[4]
- *Interagency Supervisory Guidance on Allowance for Loan and Lease Losses Estimation Practices for Loans and Lines of Credit Secured by Junior Liens on 1-4 Family Residential Properties* (Interagency Junior Lien Allowance Guidance)[5]
- Glossary entries for *Loan Impairment* and *Troubled Debt Restructurings (TDR)* in the Instructions for the Consolidated Reports of Condition and Income (Call Reports)[6]
- *Real Estate Lending Standards Regulations* and the *Interagency Guidelines for Real Estate Lending Policies*[7]

End-of-Draw Risk Management Principles

As part of the supervisory process, examiners will review financial institutions' end-of-draw risk management programs for provisions that address five risk management principles:

1. **Prudent underwriting for renewals, extensions, and rewrites.**[8] Management should apply prudent underwriting and loss mitigation strategies whenever existing loan terms for borrowers nearing the end of their contractual period are modified. Prior to extending draw periods, modifying notes, and establishing amortization terms for existing balances, lenders should conduct a thorough evaluation of the borrower's willingness and ability to repay the loan.

2. **Compliance with pertinent existing guidance, including but not limited to the *Credit Risk Management Guidance for Home Equity Lending* and the *Interagency Guidelines for Real Estate Lending Policies*.** Management's criteria for HELOC underwriting and credit analysis should be consistent with regulatory guidance for prudent real estate lending. A financial institution's underwriting criteria should include debt service capacity standards, creditworthiness standards, equity and collateral requirements, maximum loan amounts, maturities, and amortization terms. Management also should establish review and approval procedures for policy exceptions and require ongoing timely and accurate portfolio reporting, including performance and composition reports.

3. **Use of well-structured and sustainable modification terms.** For those borrowers who may be experiencing financial difficulties, management should participate in or establish workout and modification programs where feasible.[9] Terms of such programs should be consistent with the nature of the borrower's hardship, have sustainable payment requirements, and promote orderly, systematic repayment of amounts owed. Restructuring to an interest-only or balloon loan is generally inappropriate for higher-risk borrowers, as these types of loans do not directly address repayment issues. Where modifications are out of compliance with a financial institution's current underwriting criteria, for example, when combined loan-to-value ratios (CLTV) exceed a financial institution's established guidelines, payment

arrangements should bring exposures into compliance in a structured and orderly manner while keeping payments sustainable.

4. **Appropriate accounting, reporting, and disclosure of troubled debt restructurings.** Management should review end-of-draw modifications for appropriate identification of TDRs and accrual status. TDR treatment is appropriate when a lender grants a concession to a borrower that it would not otherwise consider because of the borrower's financial difficulties.[10] Financial difficulties can include the probable inability of a borrower to meet the loan terms, assuming no modification takes place when the borrower is facing a scheduled balloon payment at maturity or the payment shock associated with a contractual increase in the monthly payments.

5. **Appropriate segmentation and analysis of end-of-draw exposure in allowance for loan and lease losses (ALLL) estimation processes.** Estimates of the ALLL, including TDR impairment estimates, should consider the impact of payment shock and loss of line availability associated with the end-of-draw period. In accordance with the "Interagency Junior Lien Allowance Guidance," HELOCs approaching their end-of-draw periods should, when volumes warrant, generally be a separate portfolio segment in the ALLL estimation process. Before significant HELOC volumes reach their end-of-draw periods, management should be capturing information and preparing analyses that clarify the nature and magnitude of exposures.

End-of-Draw Risk Management Expectations

Management should implement policies and procedures for managing HELOCs nearing their end-of-draw periods that are commensurate with the size and complexity of the portfolio. Prudent risk management expectations generally include:

1. **Developing a clear picture of scheduled end-of-draw period exposures.** Management reports should provide a clear understanding of end-of-draw exposures and identify higher-risk segments of the portfolio. Management reports should also identify contractual draw period transition dates for all HELOCs, showing maturity schedules in the aggregate and by significant segments of performing and non-performing borrowers (including distinguishing between performing borrowers that are higher risk and those that are not). Segments typically include product types, post-draw payment characteristics (such as interest-only payments, balloon payments, and amortization periods), origination channels (such as retail, broker, correspondent, and mergers), or borrower characteristics (such as credit score bands and utilization rates) where performance may vary. Refer to the Interagency Junior Lien Allowance Guidance for further information on account and portfolio management.

   Additional analyses that include expected payoffs, attrition, utilization rates, delinquency or modification status of associated first liens,[11] or other factors that might change risk levels before contractual end-of-draw periods may also be helpful to assess risk. For example, pre-end-of-draw payment history for a borrower may indicate that contractual payment shock will have a limited effect on that borrower if the payments made have consistently exceeded the minimum amount due.

2. **Ensuring a full understanding of end-of-draw contract provisions.** Transition issues such as payment changes, interest rate options, amortization terms, lockout[12] and debt consolidation options, and payment processing should be controlled and programmed correctly into servicing systems. This task can be challenging when existing portfolios are the result of numerous mergers, acquisitions, or origination channels over the years. This exercise often includes a detailed inventory of contracts and contract provisions to ensure management understands all parties' rights and obligations. Institutions should monitor options available to lenders and borrowers such as draw period extensions or interest rate locks, and institutions should be aware of the timing of any required notifications to borrowers.

3. **Evaluating near-term risks.** Some HELOCs approaching their end of their draw periods may already have line availability suspended due to collateral value declines or borrower repayment performance problems. These accounts warrant attention and may require workout arrangements or modifications if not already addressed. Management should also evaluate borrowers making only the contractual minimum interest-only payments to consider whether those borrowers will meet current underwriting standards or qualify for renewal or rewrite programs.

4. **Contacting borrowers through outreach programs.** Management should begin reaching out to borrowers well before their scheduled end-of-draw dates to establish contact, engage in periodic follow-up with borrowers, and respond effectively to issues. Lenders often find that successful outreach efforts start at least six to nine months or more before end-of-draw dates, with simple, direct messaging. Many successful programs have required several attempts to contact borrowers to achieve the most effective timing and messaging.

5. **Ensuring that refinancing, renewal, workout, and modification programs are consistent with regulatory guidance and expectations, including consumer protection laws and regulations.** Financial institutions are encouraged to work prudently with higher-risk borrowers to avoid unnecessary defaults. Well-designed and consistently applied workout and modification programs can minimize losses and help borrowers resume structured, orderly repayment. Such programs should include payment terms that, in conjunction with of all of the borrower's other obligations, are sustainable and promote the orderly and systematic repayment of principal. Management should structure end-of-draw period renewal, workout, and modification programs to:

   - base eligibility and payment terms on a thorough analysis of a borrower's financial condition and reasonable ability to repay.
   - provide payment terms that are sustainable and avoid unnecessary payment shock.
   - avoid modifications that do not amortize principal in an orderly and timely fashion.

Prudent refinancing, renewal, workout, and modification programs are generally in the long-term best interest of both the financial institution and the borrower. Financial institutions must ensure regulatory reports and financial statements are prepared in accordance with generally accepted accounting principles and regulatory reporting instructions. Reporting should fairly present a financial institution's condition and performance, including an appropriate ALLL for HELOC exposures and appropriate accounting and disclosure for TDR loans.

Financial institutions must also comply with applicable consumer protection laws, which include, but are not limited to, the Equal Credit Opportunity Act, the Fair Housing Act, federal and state prohibitions against unfair or deceptive acts or practices (such as section 5 of the Federal Trade Commission Act), the Real Estate Settlement Procedures Act, the Servicemembers Civil Relief Act, and the Truth in Lending Act (TILA), and the regulations issued pursuant to those laws. For example, TILA limits the circumstances under which a creditor may prohibit additional extensions of credit or reduce the credit limit applicable to HELOCs and sets forth related requirements for notice to affected consumers.[13]

6. **Establishing clear internal guidelines, criteria, and processes for end-of-draw actions and alternatives (renewals, extensions, and modifications).** Even financial institutions with moderate volumes of HELOCs nearing their end-of-draw periods should direct borrowers to trained customer account representatives familiar with the characteristics of the products, the borrower and property information needed, and the range of alternatives available. Refinance options should designate targeted products, terms, and qualification standards, with exception processes and limits clearly noted. Management should establish and define clear loss mitigation steps, such as monthly payment targets, documentation requirements, and the order of modification steps, so that well-trained account representatives can quickly and efficiently process requests.

7. **Providing practical information to higher-risk borrowers.** Financial institutions that offer loan modifications or other options to borrowers having financial difficulties should provide practical information that explains the basic options available, general eligibility criteria, and the process for requesting a modification. Such information should be clear and easily accessible to borrowers and should include information on how to contact the lender or servicer to discuss programs that might best fit the individual borrower's specific needs.

8. **Establishing end-of-draw reporting that tracks actions taken and subsequent performance.** Management should structure and distribute end-of-draw period reports to allow all involved personnel to understand and respond to exposures, activity, and performance results. Reporting should track end-of-draw period actions and subsequent account performance in the aggregate and separately by response type. Response types should include transition according to contract, short-term extensions, temporary modifications, permanent modifications, and renewals into new draw periods or longer- term amortization. Reporting should be frequent and contain a sufficient amount of detailed information to provide timely feedback to management, including exceptions to thresholds or guidelines that prompt additional analysis or actions.

9. **Documenting the link between ALLL methodologies and end-of-draw performance.** ALLL methodologies should consider potential HELOC default risk from payment shock, loss of line availability, and home value changes. Higher-risk borrowers whose HELOCs are nearing their end-of-draw periods generally pose greater repayment risk for ALLL purposes, and management should monitor them separately for appropriate consideration in the ALLL estimation process.

10. **Ensuring that control systems provide adequate scope and coverage of the full end-of-draw period exposure.** Commensurate with the volume of the financial institution's

HELOC exposure, management should have quality assurance, internal audit, and operational risk management functions perform appropriate targeted testing of the full process for managing the end-of-draw transactions. Even when an institution outsources all or a portion of the HELOC management, the financial institution remains responsible for ensuring that the service provider complies with applicable laws, regulations, and supervisory guidance. Testing should confirm that:

- draw terms and interest-only periods are not extended without credit approval.
- servicing systems accurately consolidate balances, calculate required payments, and process billing statements for the full range of potential HELOC repayment terms that exist once draw periods end.
- staffing and resources can efficiently handle expected volumes and the breadth and scope of program activities.
- borrower notifications of upcoming draw period expirations are timely and made in accordance with contractual terms and management guidelines.
- reports provide reliable and timely information that enables management to monitor and evaluate end-of-draw activities.

Financial institutions with a significant volume of HELOCs, portfolio acquisitions, or exposures with higher-risk characteristics generally should have comprehensive systems and procedures to monitor and assess their portfolios. Community banks and credit unions with small portfolios of HELOCs, few portfolio acquisitions, or exposures with lower-risk characteristics may be able to use existing less-sophisticated processes.

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[1] The Board of Governors of the Federal Reserve System (FRB), the Federal Deposit Insurance Corporation (FDIC), the National Credit Union Administration (NCUA), and the Office of the Comptroller of the Currency (OCC).

[2] OCC Bulletin 2005-22, "Home Equity Lending: Credit Risk Management Guidance" at http://www.occ.gov/news-issuances/bulletins/2005/bulletin-2005-22.html; FRB SR letter 05-11, "Interagency Credit Risk Management Guidance for Home Equity Lending" at http://www.federalreserve.gov/boarddocs/srletters/2005/SR0511.htm; FDIC FIL-45-2005, "Credit Risk Management Guidance for Equity Lending" at http://www.fdic.gov/news/news/financial/2005/fil4505.html; and NCUA Letter to Credit Unions 05-CU-07, "Joint Statement—Credit Risk Management Guidance for Home Equity Lending" at http://www.ncua.gov/Resources/Documents/LCU2005-07.pdf.

[3] OCC Bulletin 2000-20, "Uniform Retail Credit Classification and Account Management Policy: Policy Implementation" at http://www.occ.gov/news-issuances/bulletins/2000/bulletin-2000-20.html; FRB SR letter 00-8, "Revised Uniform Retail Credit Classification and Account Management Policy" at http://www.federalreserve.gov/boarddocs/srletters/2000/SR0008.HTM; and FDIC Statements of Policy at http://www.fdic.gov/regulations/laws/rules/5000-1000.html#fdic5000uniformpf. Charge-off policy guidance for credit unions is set forth in NCUA Letter to Credit Unions 03-CU-01, "Loan Charge-off Guidance" at http://www.ncua.gov/Resources/Documents/LCU2003-01.pdf.

[4] OCC Bulletin 2013-26, "Troubled Debt Restructurings: Guidance on Certain Issues Related to Troubled Debt Restructurings" at http://www.occ.gov/news-issuances/bulletins/2013/bulletin-2013-26.html; FRB SR letter 13-17, "Interagency Supervisory Guidance Addressing Certain Issues Related to Troubled Debt Restructurings" at http://www.federalreserve.gov/bankinforeg/srletters/sr1317.htm; FDIC FIL-50-2013, "Troubled Debt Restructurings Interagency Supervisory Guidance" at https://www.fdic.gov/news/news/financial/2013/fil13050.html; and NCUA

Letter to Credit Unions 13-CU-03, "Supervisory Guidance on Troubled Debt Restructuring" at http://www.ncua.gov/Resources/Pages/LCU2013-03.aspx.

[5] OCC Bulletin 2012-6, "Interagency Guidance on ALLL Estimation Practices for Junior Liens on 1-4: Guidance on Junior Liens" at http://www.occ.gov/news-issuances/bulletins/2012/bulletin-2012-6.html; FRB SR letter 12-3, "Interagency Guidance on Allowance Estimation Practices for Junior Lien Loans and Lines of Credit" at http://www.federalreserve.gov/bankinforeg/srletters/sr1203.htm; FDIC FIL-4-2012, "Estimation Practices for Junior Liens on Residential Properties" at http://www.fdic.gov/news/news/financial/2012/fil12004.html; and NCUA Accounting Bulletin 12-1 transmitting interagency guidance at http://www.ncua.gov/Legal/GuidesEtc/AccountingBulletins/AcctBul12-1.pdf.

[6] FFIEC: Instructions for the Consolidated Reports of Condition and Income, Glossary, at http://www.ffiec.gov/pdf/ffiec_forms/ffiec031_041_200503_i.pdf; and NCUA Letter to Credit Unions 13-CU-03, "Supervisory Guidance on Troubled Debt Restructuring" at http://www.ncua.gov/Resources/Pages/LCU2013-03.aspx.

[7] FRB: 12 CFR 208, subpart E and appendix C to subpart E (state member banks). OCC: 12 CFR 34, subpart D and appendix A to subpart D (national banks); and 12 CFR 160.101 and appendix to 160.101 (federal savings associations). FDIC: 12 CFR 365, subpart A and appendix A to subpart A (state nonmember banks); 12 CFR 390.265 and appendix (state savings associations). The NCUA is not a participant in this guidance.

[8] The terms renewal, extension, and rewrite (modification) are defined in "The Uniform Retail Credit Classification and Account Management Policy". The NCUA defines these terms similarly in "Interpretive Ruling and Policy Statement on Loan Workouts, Nonaccrual Policy, and Regulatory Reporting of Troubled Debt Restructured Loans", at 12 C.F.R. 741, appendix C *"Glossary,"* footnote 19.

[9] For example, the U.S. Department of the Treasury's Second Lien Modification Program (2MP) provides a mechanism for lenders to modify second liens when a homeowner receives a first lien modification through the Home Affordable Modification Program (HAMP). Details on 2MP are available on the Second Lien Modification Program page at http://www.makinghomeaffordable.gov/programs/lower-payments/Pages/lien_modification.aspx.

[10] Refer to Financial Accounting Standards Board *Accounting Standards Codification* section 310-40-15. Generally, a high CLTV by itself is not an automatic indicator of a borrower's financial difficulties. A high CLTV, however, may indicate a higher probability of default upon payment reset and therefore may affect the assessment of whether a modification of the terms of a HELOC nearing its end-of-draw period constitutes a TDR.

[11] First-lien modification programs include Treasury's HAMP, streamlined or standard modifications for government-sponsored enterprise mortgages, programs established by state housing finance agencies individually or under Treasury's Hardest Hit Fund initiative, or proprietary efforts.

[12] A lockout refers to a fixed-rate option on an otherwise variable-rate line of credit. In a lockout arrangement, a borrower has the option to convert a portion of the outstanding balance to a fixed rate of interest for a specified period of time. Lockout balances are deducted from line availability until repaid, and normally amortize over one-to-20 years depending on the amount of the advance.

[13] 12 C.F.R. 1026.40(f)(3)(i) and 1026.40(f)(3)(vi); 12 C.F.R. 1026.9(c)(1)(iii).

Exhibit B

S-1/A 1 d723158ds1a.htm AMENDMENT NO. 3 TO FORM S-1

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As filed with the Securities and Exchange Commission on September 8, 2014

Registration No. 333-195900

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Amendment No. 3
to
FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

CITIZENS FINANCIAL GROUP, INC.

(Exact Name of Registrant as Specified in Its Charter)

Delaware (State or Other Jurisdiction of Incorporation or Organization)	6021 (Primary Standard Industrial Classification Code Number)	05-0412693 (I.R.S. Employer Identification Number)

One Citizens Plaza
Providence, RI 02903
(401) 456-7000
(Address, Including Zip Code, and Telephone Number, Including Area Code, of Registrant's Principal Executive Offices)

Stephen T. Gannon
General Counsel and Chief Legal Officer
Citizens Financial Group, Inc.
One Citizens Plaza
Providence, RI 02903
(401) 456-7000
(Name, Address, Including Zip Code, and Telephone Number, Including Area Code, of Agent For Service)

Copies to:

Nicholas A. Kronfeld Luigi L. De Ghenghi Davis Polk & Wardwell LLP 450 Lexington Avenue New York, New York 10017 (212) 450-4000	Leslie N. Silverman Derek M. Bush Cleary Gottlieb Steen & Hamilton LLP One Liberty Plaza New York, NY 10006 (212) 225-2000

Approximate date of commencement of proposed sale to the public: As soon as practicable after the effective date of this Registration Statement.

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, check the following box. ¨

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨ ______

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨ ______

If this form is a post-effective amendment filed pursuant to Rule 462(d) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. ¨ ______

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	¨	Accelerated filer	¨
Non-accelerated filer	x (Do not check if a smaller reporting company)	Smaller reporting company	¨

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to Be Registered	Amount to Be Registered	Proposed Maximum Offering Price	Proposed Maximum Aggregate Offering Price	Amount of Registration Fee(3)
Common Stock, par value $0.01 per share	161,000,000(1)	$25.00(2)	$4,025,000,000	$518,420.00

(1) Includes shares which the underwriters have the right to purchase to cover over-allotments.
(2) Estimated solely for the purpose of computing the amount of the registration fee pursuant to Rule 457(a) under the Securities Act of 1933.
(3) A registration fee in the amount of $12,880 was previously paid in connection with a prior filing of this Registration Statement on May 12, 2014. Pursuant to Rule 457(a) under the Securities Act of 1933, an additional filing fee of $505,540 is being paid in connection with this amendment to the Registration Statement.

The Registrant hereby amends this Registration Statement on such date or dates as may be necessary to delay its effective date until the Registrant shall file a further amendment which specifically states that this Registration Statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933 or until the Registration Statement shall become effective on such date as the Commission, acting pursuant to said Section 8(a), may determine.

our servicing obligations as a servicer or master servicer described above are set by contract, for which we receive a contractual fee. However, the costs to perform contracted-for services has been increasing, which reduces our profitability. In addition, we serve as a servicer for government sponsored enterprises (GSEs) under servicing guides. The GSEs can amend their servicing guides, which can increase the scope or costs of the services we are required to perform without any corresponding increase in our servicing fee. Further, the CFPB has issued two regulations that amended the mortgage servicing provisions of Regulation Z and Regulation X, which became effective on January 10, 2014 and which may further increase the scope and costs of services we are required to perform, including as it relates to servicing loans that we own. In addition, there has been a significant increase in state laws that impose additional servicing requirements that increase the scope and cost of our servicing obligations.

If we commit a material breach of our obligations as servicer or master servicer, we may be subject to termination if the breach is not cured within a specified period of time following notice, which can generally be given by the securitization trustee or a specified percentage of security holders, causing us to lose servicing income. In addition, we may be required to indemnify the securitization trustee against losses from any failure by us, as a servicer or master servicer, to perform our servicing obligations or any act or omission on our part that involves willful misfeasance, bad faith or gross negligence. For certain investors and/or certain transactions, we may be contractually obligated to repurchase a mortgage loan or reimburse the investor for credit losses incurred on the loan as a remedy for servicing errors with respect to the loan. If we experience increased repurchase obligations because of claims that we did not satisfy our obligations as a servicer or master servicer, or increased loss severity on such repurchases, we may have to materially increase our repurchase reserve.

We rely on the mortgage secondary market and GSEs for some of our liquidity.

We sell most of the mortgage loans we originate to reduce our credit risk and to provide funding for additional loans. We rely on GSEs to purchase loans that meet their conforming loan requirements. Strategically, we may originate and hold nonconforming loans on-balance sheet for investment purposes, or from time to time, we will rely on other capital markets investors to purchase nonconforming loans (i.e., loans that do not meet GSE requirements). Since the onset of the global economic and financial crisis, investor demand for nonconforming loans has fallen sharply, increasing credit spreads and reducing the liquidity of those loans. In response to the reduced liquidity in the capital markets, we may retain more nonconforming loans, negatively impacting reserves, or we may originate fewer mortgages, which would negatively impact revenue. When we retain a loan not only do we keep the credit risk of the loan but we also do not receive any sale proceeds that could be used to generate new loans. However, we receive net interest margin as our income stream as loan payments are received on a monthly basis in lieu of sale proceeds. Depending on balance sheet capacity, a persistent lack of liquidity could limit our ability to fund and thus originate new mortgage loans, reducing the fees we earn from originating and servicing loans. In addition, we cannot provide assurance that GSEs will not materially limit their purchases of conforming loans due to capital constraints or change their criteria for conforming loans (e.g., maximum loan amount or borrower eligibility). We note that proposals have been presented to reform the housing finance market in the United States, including the role of the GSEs in the housing finance market. The extent and timing of any such regulatory reform regarding the housing finance market and the GSEs, as well as any effect on our business and financial results, are uncertain.

We are subject to increased risk of credit losses associated with HELOCs originated prior to the global financial and economic crisis.

During the years prior to the global financial and economic crisis, financial institutions, including us, originated a significant number of HELOCs. The terms of HELOCs generally provided for the

deferral of borrowers' obligations to begin to repay principal until a specified future date. As of June 30, 2014, approximately 33% of our $16.2 billion HELOC portfolio, or $5.3 billion in drawn balances, and $4.5 billion in undrawn balances, were subject to a payment reset or balloon payment between July 1, 2014 and December 31, 2017, including $350 million in balloon balances where full payment is due at the end of a ten-year interest only draw period. Although we launched a program in September 2013 to manage the exposure by providing heightened outreach to borrowers, there remains a risk of increased credit losses as borrowers become obligated to make principal and interest payments. For further information regarding the expected HELOC payment shock, see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Affecting Our Business—HELOC Payment Shock."

Our financial performance may be adversely affected by deteriorations in borrower credit quality, particularly in the New England, Mid-Atlantic and Midwest regions, where our operations are concentrated.

We have exposure to many different industries and risks arising from actual or perceived changes in credit quality and uncertainty over the recoverability of amounts due from borrowers is inherent in our businesses. For example, we have exposure to certain business sectors and geographic markets that were weakened by the global economic and financial crisis. Our exposure may be exacerbated by the geographic concentration of our operations, which are predominately located in the New England, Mid-Atlantic and Midwest regions. The credit quality of our borrowers may deteriorate for a number of reasons that are outside our control, including as a result of prevailing economic and market conditions and asset valuation. The trends and risks affecting borrower credit quality, particularly in the New England, Mid-Atlantic and Midwest regions, have caused, and in the future may cause, us to experience impairment charges, increased repurchase demands, higher costs, additional write-downs and losses and an inability to engage in routine funding transactions, which could have a material adverse effect on our business, financial condition and results of operations.

Our framework for managing risks may not be effective in mitigating risk and loss and our use of models presents risks to our risk management framework.

Our risk management framework is made up of various processes and strategies to manage our risk exposure. The framework to manage risk, including the framework's underlying assumptions, may not be effective under all conditions and circumstances. If the risk management framework proves ineffective, we could suffer unexpected losses and could be materially adversely affected.

One of the main types of risks inherent in our business is credit risk. An important feature of our credit risk management system is to employ an internal credit risk control system through which we identify, measure, monitor and mitigate existing and emerging credit risk of our customers. As this process involves detailed analyses of the customer or credit risk, taking into account both quantitative and qualitative factors, it is subject to human error. In exercising their judgment, our employees may not always be able to assign an accurate credit rating to a customer or credit risk, which may result in our exposure to higher credit risks than indicated by our risk rating system.

In addition, we have undertaken a strategic initiative to enhance our credit policies and guidelines to address potential risks associated with particular industries or types of customers, as discussed in more detail under "Management's Discussion and Analysis of Financial Condition and Results of Operations—Risk Governance and Quantitative and Qualitative Disclosures About Risk." However, we may not be able to effectively implement these initiatives, or consistently follow and refine our credit risk management system. If any of the foregoing were to occur, it may result in an increase in the level of nonperforming loans and a higher risk exposure for us, which could have a material adverse effect on us.

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we may incur additional expenses in connection with the CCAR process that would affect our profitability and results of operations. For further information regarding the CCAR process, see "Dividend Policy" and "Regulation and Supervision."

Basel III final rules applicable to us and our banking subsidiaries

In July 2013, the Federal Reserve Board, OCC, and FDIC issued the U.S. Basel III final rules. The final rule implements the Basel III capital framework and certain provisions of the Dodd-Frank Act, including the Collins Amendment. See "Regulation and Supervision—Capital" for further information. Certain aspects of the final rules, such as the new minimum capital ratios, will become effective on January 1, 2015. In order to comply with the new capital requirements, we established capital ratio targets that meet or exceed U.S. regulatory expectations under fully phased-in Basel III rules, and as a result our capital requirements were increased.

HELOC Payment Shock

Recent attention has been given by regulators, rating agencies, and the general press regarding the potential for increased exposure to credit losses associated with HELOCs that were originated during the period of rapid home price appreciation between 2003 and 2007. Industrywide, many of the HELOCs originated during this timeframe were structured with an extended interest-only payment period followed by a requirement to convert to a higher payment amount that would begin fully amortizing both principal and interest beginning at a certain date in the future. As of June 30, 2014, approximately 33% of our $16.2 billion HELOC portfolio, or $5.3 billion in drawn balances, and $4.5 billion in undrawn balances, were subject to a payment reset or balloon payment between July 1, 2014 and December 31, 2017, including $350 million in balloon balances where full payment is due at the end of a ten-year interest only draw period.

To help manage this exposure, in September 2013, we launched a comprehensive program designed to provide heightened customer outreach to inform, educate and assist customers through the reset process as well as to offer alternative financing and forbearance options. Preliminary results indicate that our efforts to assist customers at risk of default have successfully reduced delinquency and charge-off rates compared to our original expectations.

As of June 30, 2014, for the $668 million of our HELOC portfolio that was originally structured with a reset period in 2013, 93.7% of the balances were refinanced, paid off or were current on payments, 3.4% were past due and 2.9% had been charged off. As of June 30, 2014, for the $898 million of our HELOC portfolio that was originally structured with a reset period in 2014, 96.4% of the balances were refinanced, paid off or were current on payments, 3.1% were past due and 0.5% had been charged off. HELOC portfolio balances of $352 million are scheduled to reset in the remainder of 2014. Factors that affect our future expectations for charge-off risk for the portion of our HELOC portfolio subject to reset periods in the future include improved loan-to-value ratios resulting from continued home price appreciation, stable portfolio credit score profiles and more robust loss mitigation efforts.

Factors Affecting Comparability of Our Results

Goodwill

During the 19-year period from 1988 to 2007, we completed a series of more than 25 acquisitions of other financial institutions and financial assets and liabilities. We accounted for these types of business combinations using the acquisition method of accounting. Under this accounting method, the acquired company's net assets are recorded at fair value at the date of acquisition, and the difference between the purchase price and the fair value of the net assets acquired is recorded as goodwill.

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Noninterest Income

The following table details the significant components of our noninterest income for the periods indicated:

	Year Ended December 31, 2013	2012	Change	Percent (%)
	(dollars in millions)			
Service charges and fees	$ 640	$ 704	$ (64)	(9)%
Card fees	234	249	(15)	(6)
Mortgage banking fees	153	189	(36)	(19)
Trust and investment services fees	149	131	18	14
Foreign exchange and trade finance fees	97	105	(8)	(8)
Capital markets fees	53	52	1	2
Bank-owned life insurance income	50	51	(1)	(2)
Securities gains, net	144	95	49	52
Other income(1)	112	91	21	23
Total noninterest income	$ 1,632	$ 1,667	$ (35)	(2)%

(1) Includes net impairment losses on securities available for sale recognized in earnings and other income.

Total noninterest income of $1.6 billion in 2013 decreased 2%, or $35 million, from 2012 largely as higher securities gains, net, other income and trust and investment services fees were more than offset by lower service charges and fees, mortgage banking fees and card fees. Service charges and fees of $640 million decreased 9% largely on lower account volume. Mortgage banking fees of $153 million decreased $36 million, or 19%, from $189 million in 2012. The decrease was primarily driven by lower loan sale gains reflecting the decision to retain more loans on our balance sheet, which was partially offset by higher mortgage servicing rights valuations. Card fees of $234 million declined $15 million, or 6%, compared to $249 million in 2012 driven by lower transaction volumes. Net gains on the sale of securities of $144 million increased $49 million, or 52%, from $95 million in 2012 primarily reflecting the sale of higher yielding investment securities. We do not expect to record comparable securities gains, net, in the coming years. Other income of $112 million increased $21 million, or 23%, from 2012 primarily due to a $75 million gain on the sale of Visa Class B shares offset by a $23 million loss on the sale of a commercial real estate portfolio recorded in 2012. Excluding the gain on the sale of Visa Class B shares and the loss on commercial real estate, other income increased $73 million driven by higher derivatives income, leasing income, and a gain on sale of warrants.

Provision for Credit Losses

Provision for credit losses of $479 million in 2013 increased $66 million, or 16%, from $413 million in 2012, despite a $374 million decline in net charge-offs. The increase in the provision for credit losses reflected growth in the commercial loan portfolio and recognition of incremental loss exposure related to expected HELOC payment shock. Additionally, while overall credit quality continued to improve in 2013, the rate of improvement slowed relative to 2012. As a result, 2013 provision for credit losses included a release of $22 million from the allowance for credit losses (the amount by which net charge-offs exceeded the provision), compared with a release of $462 million in 2012. For further information regarding the expected HELOC payment shock, see "—Key Factors Affecting Our Business—HELOC Payment Shock."

Exhibit C

ND note

Citizens Bank

SECONDARY MORTGAGE LOAN

HOME EQUITY LINE OF CREDIT AGREEMENT

Borrower(s):

MICHAEL A DICICCO

STACEY A DICICCO

Lender:

☐ Citizens Bank of Massachusetts
28 State Street
Boston, MA 02109

☐ Citizens Bank of Connecticut
63 Eugene O'Neill Drive
New London, CT 06320

☒ Citizens Bank of Pennsylvania
1735 Market Street
Philadelphia, PA 19103

☐ Citizens Bank of Rhode Island
1 Citizens Plaza
Providence, RI 02903

☐ Citizens Bank New Hampshire
875 Elm Street
Manchester, NH 03101

☐ Citizens Bank
919 North Market Street
Suite 200
Wilmington, DE 19801

Date of Agreement: 06/05/2006

This HOME EQUITY LINE OF CREDIT AGREEMENT ("Agreement") contains the terms which govern your line of credit (the "Credit Line" or the "Credit Line Account") issued through Citizens Bank of Massachusetts, Citizens Bank of Rhode Island, Citizens Bank of Connecticut, Citizens Bank New Hampshire, Citizens Bank of Pennsylvania, or Citizens Bank (our Delaware Bank) as identified above and hereafter referred to as "Citizens Bank". The Agreement sets forth the terms under which Citizens Bank extends credit advances against your Credit Line Account. Each person who signs this Agreement will be bound by its terms and conditions and will be responsible for paying all amounts owed. In this Agreement, the words "Borrower," "you," "your," and "Applicant" mean each and every person who signs this Agreement, including all Borrowers named above. The words "we," "us," "our," and "Lender" mean Citizens Bank as identified above. **You agree to the following terms and conditions:**

1. **Promise to Pay.** You promise to pay Citizens Bank the total of all credit advances made by us under the terms of this Agreement, any other charges, and **FINANCE CHARGES** due, together with all costs and expenses for which you are responsible under this Agreement or under the "Mortgage" which secures this Agreement. You will pay your Credit Line according to the payment terms set forth below.

2. **Term.** The term of your Credit Line will begin as of the date of the Agreement ("Opening Date") and will continue until termination of your Credit Line Account. All indebtedness under this Agreement, if not already paid pursuant to the payment provisions below, will be due and payable upon termination. The "Draw Period" of your Credit Agreement will begin on a date, after the Opening Date, when the Agreement is accepted by us in the Commonwealth or State as identified above: Commonwealth of Massachusetts, State of Rhode Island, State of Connecticut, State of New Hampshire, Commonwealth of Pennsylvania or State of Delaware, following the expiration of the right to cancel, the perfection of the Mortgage, and the meeting of all of our other conditions and will continue for a period of seven (7) years, subject to the terms and conditions of this Agreement. You may obtain credit advances during the "Draw Period" not to exceed, at any time, the credit limit of your line of credit, which is $ 158,000.00 and more fully described in **paragraph 5**, "Credit Limit". After the Draw Period ends, the Repayment Period will begin; and you will no longer be able to obtain credit advances. The length of the Repayment Period is Fifteen (15) Years. The end of the Fifteen (15) Years is known as the "Maturity Date". You agree that, at our discretion, we may renew or extend the period during which you may obtain credit advances or make payments.

3. **Payments.**

a) Draw Period

You can obtain advances of credit for seven (7) years (the "Draw Period"). You have chosen the payment option checked below. The option checked below is based on the option that was indicated on your home equity application. If no option was indicated on your application, the loan will default to Option One (Interest Only).

☒ **Option One:** Monthly interest-only payments - Under this option, your payments will be due monthly and will equal the finance charges that accrued on the outstanding principal balance during the preceding billing period, plus insurance premiums (if any), all other charges and any amount past due. The Minimum Payment will not reduce the principal that is outstanding on your Credit Line Account. This option will result in greater expenses over the life of the Credit Line Account.

☐ **Option Two:** 2% of the balance - Under this option, your payments will be due monthly and will equal 2% of the New Total Balance (which includes the principal balance and outstanding finance charges as of the end of the billing period plus insurance premiums [if any], and all other charges),

plus late fees and any amount past due. The Minimum Payment will equal $20.00 or the outstanding balance on your Credit Line Account, whichever is less.

b) Changing Your Draw Period Payment Option

You may change your Draw Period Payment Option from Option 1 to Option 2, or from Option 2 to Option 1. You must ask us in writing at least 15 days before the start of the billing cycle in which you want to change your Draw Period Payment Option.

We do not have to let you change your Draw Period Payment Option if; (i) any of your payments under this agreement are past due at the time you make your request, (ii) your account balance is higher than your credit line at the time when you ask us to change your Draw Period Payment Option, or (iii) we, in our sole discretion, believe that your account is not in good standing.

c) Repayment Period

After the Draw Period ends, you will no longer be able to obtain credit advances and must repay the outstanding balance over 15 years (the "Repayment Period"). During the Repayment Period, your regular payment will be based on an amortization of your balance over a 180 month period or $20.00, whichever is greater. Your payments will be due monthly. In calculating the payment amount by amortizing the balance over a 180 month period, we will use the applicable variable Annual Percentage Rate in effect on the day we calculate your payment. Your "Minimum Payment" will be the regular payment, plus any amount past due and all other charges. *In any event, if your Credit Line Account balance falls below $20.00, you agree to pay your balance in full.*

A change in the ***ANNUAL PERCENTAGE RATE*** can cause the balance to be repaid more quickly or more slowly. When rates decrease, less interest is due, so more of the payment repays the principal balance. When rates increase, more interest is due, so less of the payment repays the principal balance. If this happens, we may adjust your Minimum Payment as follows: Each time the **ANNUAL PERCENTAGE RATE** increases we will review the effect the increase has on your Credit Line Account. If the **ANNUAL PERCENTAGE RATE** has increased so much that your Minimum Payment is no longer sufficient to repay the balance by the Maturity Date, your Minimum Payment will be increased by the amount necessary to repay the balance by the Maturity Date. You agree to pay not less than the Minimum Payment on or before the Payment Due Date indicated on your periodic billing statement.

d) Payments

All payments must be made by a check, money order, or other instrument in U.S. dollars and must be received by us at the remittance address shown on your periodic billing statement. Payments received at that address on any business day will be credited to your Credit Line as of the date received. Payments may also be made at any of our branch offices. You may also make payments by authorizing us to debit your Citizens Bank checking account each month in the amount of the Minimum Payment. Payments sent by mail must be mailed early enough to insure receipt by us on the Payment Due Date.

4. Application of Payments. Unless otherwise agreed or required by applicable law, during the Draw Period, payments and other credits will be applied in the following order: to the oldest unpaid billings first, and then sequentially to any other unpaid billings from the oldest to the most current. Payments in excess of billed amounts will be credited to your account. During the Repayment Period, your payments will be applied in the following order, assuming that it is made by the Payment Due Date: (a) The interest portion of the unpaid Minimum Payment; and (b) any additional amount paid that exceeds interest due will next be applied to the principal portion of the unpaid Minimum Payment. If you make a payment greater than the Minimum Payment, but less than the Total Due shown on your periodic statement you will still be required to make the Minimum Payments in the months that follow. We will refund to you any credit balance upon request if there is a credit balance on the date we receive the refund request.

5. Credit Limit. This Agreement covers a revolving line of credit for $ 158,000.00 which will be your "Credit Limit" under this Agreement. This is the maximum credit that is to be extended to you. If the Credit Limit is exceeded, you will be in default of a material obligation under this Agreement and the provisions of **paragraph 7**, "Limitations on Use of Checks" will apply. You may borrow against the Credit Line, repay any portion of the amount borrowed, and re-borrow up to the amount of the Credit Limit. You agree not to attempt, request, or obtain a credit advance that will make your Credit Line Account balance exceed your Credit Limit. Your Credit Limit will not be increased should you overdraw your Credit Line Account. If you exceed your Credit Limit, you agree to repay immediately the amount by which your Credit Line Account exceeds your Credit Limit, even if we have not yet billed you.

6. How to Use the Credit Line. You may obtain credit advances under your Credit Line by writing a preprinted "check" that we will supply to you. Credit Line checks are specially designated checks which can be completed just like any other check. Each check written and negotiated will create a check advance from us to you. Checks drawn on the Account on forms other than those forms supplied by us for that purpose will not be honored. Each check you write will be paid with a check advance from your Account unless you are in default under this Agreement, as described in **paragraph 23**, "Termination and Acceleration", or in those circumstances described in **paragraph 7**, "Limitations on Use of Checks." Your use of a check will be reflected on your periodic statement as a check advance. Credit Line checks will not be certified by us and you agree that we may retain the actual checks written by you, and need not return the original checks to you. We may also provide additional ways of using your Account from time to time.

If there is more than one person authorized to use this Credit Line Account, each of you agree not to give us conflicting instructions, such as one of you telling us not to give check advances to the other. Any such instructions will not be followed by us. However, any one of you may cancel your Credit Line under **paragraph 30**, "Cancellation by You".

7. Limitations on Use of Checks. We reserve the right not to honor Credit Line checks in the following circumstances:

(a) Your Credit Limit has been, or would be, exceeded by paying the check.
(b) Your check is post-dated. If a post-dated check is paid and as a result any other check is returned or not paid, we are not responsible, subject to any applicable law.
(c) Your checks have been reoorted lost or stolen.
(d) Your check is not signed uy an "Authorized Signer" as defined below.
(e) Your Credit Line has been terminated or suspended as provided in this Agreement or could be if we paid the check.
(f) You are in violation of any other transaction requirement or would be if we paid the check.

If we pay any check under these circumstances, you must repay us, subject to applicable laws, for the amount of the check. The check itself will be evidence of your debt to us together with this Agreement. Our liability, if any, for wrongful dishonor of a check is limited to your actual damages. Dishonor for any reason as provided in this Agreement is not wrongful dishonor.

8. Authorized Signers. The words "Authorized Signer" on checks as used in this Agreement mean and include each person who (a) signs the application for this Credit Line, and (b) signs this Agreement.

9. Stop Payments. We do not honor stop payment orders for checks drawn against your Credit Line Account. You therefore should not use your Credit Line Account if you anticipate the need to stop payment. You agree that we will have no liability to you or to any other party because we do not honor stop payment orders.

10. Lost Checks. If you lose your checks or someone is using them without your permission, you agree to notify us immediately. The fastest way to notify us is by calling us at (800) 922-9999. You also can notify us at Citizens Bank, Consumer Loan Servicing, 1 Citizens Drive, Riverside, RI 02915.

11. Charges to Your Credit Line. We may charge your Credit Line to pay other fees and costs that you are obligated to pay under this Agreement, under the Mortgage or under any other document related to your Credit Line. In addition, we may charge your Credit Line for funds required for continuing insurance coverage as described in the **paragraph 13**, "Insurance" or as described in the Mortgage. We may also, at our option, charge your Credit Line to pay any costs or expenses to protect or perfect our security interest in your dwelling. These costs or expenses include, without limitation, payments to cure defaults under any existing liens on your dwelling. If you do not pay your property taxes, we may charge your Credit Line and pay the delinquent taxes. Any amount so charged to your Credit Line will be a credit advance and will decrease the funds available, if any, under the Credit Line. However, we have no obligation to provide any of the credit advances referred to in this paragraph.

12. Collateral. This Agreement is secured by a Mortgage dated 06/05/2006 to us on property located in BUCKS County, State or Commonwealth of PA, (the "Property"). We have the right, but are not required to take such action as is necessary to protect our Security Interest described in this paragraph. Any amounts we may pay in exercising our right to protect our Security Interest must be paid by you on demand, and will bear interest at the Annual Percentage Rate then applicable to your account.

13. Insurance. You must obtain insurance on the Property securing this Agreement through any company of your choice that is reasonably satisfactory to us for the lesser of the replacement cost of the buildings or appurtenances on the Property or the amount of the Credit Line plus any priority liens. You must name Citizens Bank as mortgagee on all required insurance policies. The insurance you maintain must provide for Ten (10) days notice of cancellation to us. If the Property is located in a designated Flood Zone, you must also maintain flood insurance on the Property. Subject to applicable law, if you fail to obtain or maintain insurance as required herein or in the Mortgage, we may purchase insurance to protect our own interest, add the premium to your balance, pursue any other remedies available to us, or do any one or more of these things.

In the event the Borrower fails to obtain and maintain any insurance on the Property required by the Lender, the Borrower understands and agrees that the Lender may, at its option (unless required to do so by applicable law), obtain and maintain the required insurance and pay the premium(s) for such insurance, and either: (i) add the cost of the insurance to the unpaid principal balance owed under the Agreement (in which case the Borrower agrees to repay the cost of the insurance in accordance with the repayment terms of the Agreement), or (ii) bill the Borrower separately (in which case the Borrower agrees to pay the bill immediately). The Borrower agrees to pay interest on any such amounts at the interest rate provided in the Agreement until such amounts are repaid in full. The Borrower understands and acknowledges that any insurance obtained and maintained by the Lender may (i) only protect the interests of the Lender and any other creditor with a prior mortgage on the Property, and (ii) be more expensive than insurance obtained and maintained by the Borrower.

14. Right of Setoff. We have the right under the law to transfer funds held in any deposit account that any person who signs this Agreement has with us or an affiliated bank, to pay or reduce your obligations if you are in default under this Agreement or we terminate or accelerate your Credit Line Account. You grant to us a contractual possessory security interest in, and hereby assign, convey, deliver, pledge, and transfer to us all right, title and interest in and to, your accounts with us (whether checking, savings, or some other account), including without limitation all accounts held jointly with someone else and all accounts you may open in the future, excluding however all IRA, Keogh, and trust accounts. You authorize us, to the extent permitted by applicable law, to charge or set off all sums owing under this Agreement against any and all such accounts.

15. Periodic Statements. We will send you a periodic statement for all check advances made under this Agreement during the Draw Period and for all monthly payments due during the Repayment Period. The statement will show, among other things, payments and credits, check advances, **FINANCE CHARGES**, insurance, and other charges, your Previous Total Balance, and your New Total Balance. Your statement also will identify the Minimum Payment you must make for that billing period and the Payment Due Date. All periodic statements shall conclusively be considered to be correct and accepted by you unless we are notified in writing of any alleged errors within 60 days after receipt.

16. FINANCE CHARGES. You will pay a **FINANCE CHARGE** on the outstanding amount of the principal balance under your Credit Line, once each billing cycle during the Draw Period and the Repayment Period. The **FINANCE CHARGE** will begin to accrue on the date advances are posted to your Credit Line Account. There is no "grace period" which would allow you to avoid a **FINANCE CHARGE** on your Credit Line advances. **FINANCE CHARGES** do not accrue on any undisbursed proceeds.

17. Method Used to Determine the Balance on Which the FINANCE CHARGE Will Be Computed. We figure the **FINANCE CHARGE** on your account by applying the daily periodic rate to the average daily balance of your Credit Line Account and then multiply by the number of days in the billing cycle. To get the average daily balance, we take the total beginning balance of your Credit Line Account each day and add new advances and subtract the principal portion of any payments and credits. The beginning balance for the period is the New Principal Balance amount from your previous statement. To determine the principal portion of a payment, subtract any unpaid **FINANCE CHARGES** then insurance premiums (if any) and membership fees and other charges (if applicable). This gives us the daily principal balance each day. Then we add up all the daily principal balances for the billing cycle and divide the total by the number of days in the billing cycle (the number of days since your last statement). This gives us the average daily balance. The average daily balance does not include finance charges, insurance premiums, membership fees or other charges.

18. How You May Compute the Finance Charges On Your Line of Credit Account. When the average daily balance has been computed, you multiply the average daily balance by the daily periodic rate which is arrived at by dividing the Annual Percentage Rate by the number of days in the year. The result is multiplied by the number of days in the billing cycle. This figure is the **FINANCE CHARGE** assessed for the billing cycle.

19. Periodic Rate and Corresponding ANNUAL PERCENTAGE RATE. We will determine the Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** as follows. We start with an independent index, (the "Index"), which is The Wall Street Journal Prime Rate, published daily in the listing of "Money Rates." We will use the Index value published on the last business day of each month for any **ANNUAL PERCENTAGE RATE** adjustment. If the Index is no longer available, we will choose a new Index and margin. The new Index will have an historical movement similar to the original Index and margin, and the new Index and margin will result in an Annual Percentage Rate that is substantially similar to the rate in effect at the time the original Index becomes unavailable. The Index is not necessarily the lowest rate charged by us on our loans. To determine the Periodic Rate that will apply to your Credit Line Account, we add a margin to the value of the Index, then divide the value by the number of days in a year (daily). To obtain the **ANNUAL PERCENTAGE RATE,** we multiply the Periodic Rate by the number of days in a year (daily). This result is the **ANNUAL PERCENTAGE RATE.** The **ANNUAL PERCENTAGE RATE** includes only interest and no other costs.

The Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** on your Credit Line will increase or decrease as the Index increases or decreases from time to time. Any increase in the Periodic Rate will take the form of higher payment amounts. Adjustments to the Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** resulting from changes in the Index will take effect on the first day of the next billing cycle. The maximum **ANNUAL PERCENTAGE RATE** during the Draw Period of your Credit Line will be 8.490% . The maximum **ANNUAL PERCENTAGE RATE** during the Repayment Period of your Credit Line will be 18.000% or the maximum rate allowed by applicable law. In no event will the **ANNUAL PERCENTAGE RATE** be less than 2.500% during the life of your Credit Line. As of the date this Agreement was printed, the Index is 8.00 % per annum. Based on that Index value, we estimate that the initial Periodic Rate and the corresponding **ANNUAL PERCENTAGE RATE** on your Credit Line for the first billing cycle will be as stated below: The initial Periodic Rate and corresponding **ANNUAL PERCENTAGE RATE** actually in effect during the first billing cycle, which will be disclosed on your first periodic statement, may differ from these estimates if the Index changes between the date this Agreement was printed and the date you sign this Agreement.

Margin Added to Index	ANNUAL PERCENTAGE RATE	Daily Periodic Rate
0.500 %	8.50000%	0.02329%

20. Conversion Option. You can exercise the option to convert to a fixed rate only at the end of the Draw Period. Your **ANNUAL PERCENTAGE RATE** may increase if you exercise this option to convert to a fixed rate.

The fixed rate will be determined as follows. The **ANNUAL PERCENTAGE RATE** will be fixed during the entire Repayment Period and will be equal to 2 ½% added to the Index which is in effect on the date that the final Draw Period payment is due, but will not be more than 18.00%. In the event the Prime Rate is published as a range of rates, then the lowest rate published shall be the Index. If The Wall Street Journal ceases publication of the Prime Rate we may select a substantially similar Index which we will use to determine the **ANNUAL PERCENTAGE RATE** for the Repayment Period.

In no event shall the Finance Charge exceed that allowable under any applicable law. If it is determined that the Finance Charge would, except for this provision, exceed the maximum rate allowable, all excess payments shall be considered to be payments on the principal balance due hereunder and shall be applied accordingly.

21. Annual Fee. There is no Annual Fee for the first year. Thereafter, a non-refundable Annual Fee of $50 will be charged to your Credit Line Account on each anniversary of your Credit Line, during the Draw Period. We will lower your Annual Fee by $25.00 if you maintain a Citizens Circle Gold Checking Account or any other deposit relationship account that we may deem from time to time to warrant a discount. If you close your Citizens Circle Gold Checking Account or other designated deposit relationship account, a non-refundable Annual Fee of $50.00 will be charged to your Credit Line Account on each Anniversary of your Credit Line Account, during the Draw Period thereafter.

For investment property, the Annual Fee will be charged to your Credit Line Account on the first billing period and on each anniversary of your Credit Line Account thereafter.

22 (a). **Late Charges.** Depending on the state or commonwealth identified above, your late fee will be calculated as follows:

MA: Your payment will be late if it is not received by us within **15 days of the "Payment Due Date" shown on your periodic statement.** If your payment is late, we may charge you 3.000% of the payment or $10.00, whichever is less. You will pay this late charge only once on any late payment.

CT and RI: Your payment will be late if it is not received by us within **10 days of the "Payment Due Date" shown on your periodic statement.** If your payment is late, we may charge you 5.000% of the payment or $10.00, whichever is less.

NH: Your payment will be late if it is not received by us within **10 days of the "Payment Due Date" shown on your periodic statement.** If your payment is late, we may charge you 7.000% of the payment or $12.50, whichever is greater.

PA and DE: Your payment will be late if it is not received by us within **15 days of the "Payment Due Date" shown on your periodic statement.** If your payment is late, we may charge you 10.000% of the payment or $20.00, whichever is greater.

22 (b). **PREPAYMENT:** *If you pay off the entire balance and close your line of credit account before the due date, you may be charged a penalty as follows:*

CT (first lien), DE, ME, NH, VT: If you pay off and close your line of credit account within two (2) years after the date of the Agreement, we may charge you, and you agree to pay us, a penalty of $250.

CT (second lien): If you pay off and close your line of credit account within two (2) years after the date of the Agreement, we may charge you, and you agree to pay us, a penalty of the lesser of five percent (5%) of the principal balance that you prepay or $250.

RI: If you pay off and close your line of credit account within the first year of the date of the Agreement, we may charge you, and you agree to pay us, a penalty of the lesser of two percent (2%) of the balance due at the date of payoff or $250.

MA, MD, NJ, PA: If you pay off and close your line of credit account before the due date, you will not have to pay a penalty.

23. **Termination and Acceleration.** The entire unpaid balance of your Credit Line Account, including unpaid fees and Finance Charges, shall at our option become immediately due and payable and we can terminate your Credit Line Account by sending you notice, if any of the following occur:

(a) You have at any time in connection with this Credit Line Account, including your application for same, committed fraud or have made, or make at anytime, any material misrepresentation. For purposes of this provision, fraud and material misrepresentation shall mean knowingly making any false financial or other statement with the intent that it be relied upon by us and/or intentionally failing to disclose information in connection with the Credit Line Account;

(b) Failure to make any payment under this Agreement;

(c) Your action or inaction adversely affects the collateral for the Credit Line Account or our rights in the collateral. This can include, for example, failure to maintain required insurance, waste or destructive use of the Property, failure to pay taxes, failure to maintain adequate insurance for the Security, death of all persons liable on the Credit Line Account or the death of any of the Borrowers if the collateral is adversely affected by such death, transfer of title or sale of the Property, the Property is taken through eminent domain, creation of a senior lien on the Property without our permission, foreclosure by the holder of a prior lien or the use of the dwelling for prohibited purposes.

24. Suspension or Reduction. In addition to any other rights we may have, (neither notice nor your agreement is required), we can suspend additional extensions of credit or reduce your Credit Limit during any period in which any of the following are in effect:

(a) The value of the Property declines significantly below the Property's appraised value for purposes of this Credit Line Account. This includes, for example, a decline such that the initial difference between the credit limit and the available equity is reduced by fifty percent and may include a smaller decline depending on the individual circumstances;

(b) We reasonably believe that you will be unable to fulfill your payment obligations under your Credit Line Account due to a material change in your financial circumstances;

(c) You are in default under any material obligations of this Credit Line Account. We consider all of your obligations to be material. Categories of material obligations include the events described above under **paragraph 23**, "Termination and Acceleration", obligations to pay fees and charges, obligations and limitations on the receipt of credit advances, obligations concerning maintenance or use of the Property, obligations to pay and perform the terms of any other deed of trust, mortgage or lease of the Property, obligations to notify us and to provide documents or information to us (such as updated financial information), obligations to comply with applicable laws (such as zoning restrictions), and obligations of any comaker. No default will occur until we mail or deliver a notice of default to you, so you can restore your right to credit advances;

(d) Government action prevents us from imposing the ANNUAL PERCENTAGE RATE provided for under this Agreement, or impairs our security interest such that the value of the Property is less than 120 percent of the credit line;

(e) We have been notified by governmental authority that continued advances may constitute an unsafe and unsound business practice. We may charge your account for appraisal and Credit Report fees we incur in investigating whether any condition permitting us to suspend your credit privileges or reduce your credit limit continues to exist;

(f) The maximum Annual Percentage Rate is reached.

If your Credit Line is suspended or terminated, you must immediately destroy all Credit Line checks and any other access devices. Any use of checks or other access devices following suspension or termination may be considered fraudulent. You will also remain liable for any further use of such checks or other Credit Line access devices not returned to us.

25. Change in Terms. We may make changes to the terms of this Agreement if you agree to the change in writing at that time, if the change will unequivocally benefit you throughout the remainder of your Credit Line Account, or if the change is insignificant (such as changes relating to our data processing systems).

26. Collection Costs. If you fail to abide by any terms of this Agreement, and if we are permitted to do so by applicable law, we may hire or pay someone else to help collect your Credit Line Account. You will pay all reasonable collections costs, including reasonable attorney's fees incurred by us in the collection of amounts due under this Agreement to the extent not prohibited by applicable law. This includes, subject to any limits under applicable law, our legal expenses whether or not there is a lawsuit and legal expenses for bankruptcy proceedings (including efforts to modify or vacate any automatic stay of injunction), appeals, and any anticipated post-judgment collection services. In **New Hampshire**, if, but only if, by applicable law, we are permitted to collect attorney's fees from you as part of our costs of collecting any amounts due under this Agreement, then you, to the extent required by New Hampshire Revised Statutes Annotated Chapter 361-C, as amended, shall be entitled to reasonable attorney's fees if you prevail in (a) any action, suit or proceeding brought by us, or (b) any action brought by you. If you successfully assert a partial defense or setoff, recoupment or counterclaim to any action brought by us, the court may withhold from us the entire amount or such portion of the attorney's fees as the court considers equitable.

27. Delay in Enforcement. Failure at any time by us to exercise any of our rights hereunder shall not constitute a waiver of our right to exercise the same at a later time.

28. **Default.** You will be in default under this Agreement if any of the following occurs, each of which constitutes a breach of a material obligation of yours under this Agreement:

(a) You fail to make any payment when due or to pay any charge or fee when due;

(b) Your action or failure to act adversely affects our security for your Credit Line Account or a right we have in the security (an attempt by any other creditor to take money or other property of yours that is in our possession is an example of a failure to act that would adversely affect our security or security interest);

(c) A court determines that you are bankrupt or insolvent; or

(d) You gave or give us false or materially misleading information in connection with any extension of credit to you under your Credit Line Account.

29. **Results of Default.** If you are in default, we may lower your Credit Limit, we may refuse to make any further advances under this Agreement, we may refuse to pay any outstanding checks that would require us to make an additional credit advance to you, we may foreclose on the real property described in the Mortgage securing your Credit Line Account, we may take whatever other action is permitted under the Mortgage, and we may exercise any and all of our rights with respect to any other property securing your Credit Line Account. We also may demand that you pay the full amount you owe on your Credit Line Account immediately.

You agree to pay any costs we incur in collecting what you owe following your default to the extent not prohibited by applicable law. If we have to sue you to collect what you owe, you agree to pay our legal fees, including court costs to the extent not prohibited by applicable law. In addition to our other rights and remedies under this agreement and the Mortgage, we reserve the right to honor the check or other device used to obtain an advance without permanently raising your credit limit. If we honor the check or other device, the amount that is more than your credit limit will be due and payable immediately.

30. **Cancellation by You.** If you cancel your right to credit advances under this Agreement, you must notify us in writing and destroy all Credit Line checks and any other Credit Line Account access devices. Despite cancellation, your obligations under this Agreement will remain in full force and effect until you have paid us all amounts due under this Agreement.

31. **Prepayment.** You may make additional payments or may pay back more than the Minimum Payment Due at any time without penalty, **subject to Section 22 (b)**, except we will be entitled to receive all accrued **FINANCE CHARGES**, and other charges, if any. Payments in excess of your Minimum Payment will not relieve you of your obligation to continue to make your Minimum Payments. Instead, they will reduce the principal balance owed on the Credit Line. If you mark a check, money order, or other instrument sent in payment with "Paid in Full" or with similar language, we may accept the payment, and you will remain obligated to pay any further amount owed to us under this Agreement.

32. **Notices.** All notices will be sent to your address as shown in this Agreement unless you notify us in writing of any change in your address or name within thirty (30) days of the change. On joint accounts, notices sent to one will be considered notice sent to all.

33. **Information About You.** You authorize us to get financial information about you from third parties, including, but not limited to, a credit bureau, your employer, or another financial institution. You also authorize us to disclose information about your creditworthiness and this Account to a credit bureau, our affiliates and subsidiaries, and to others, unless expressly prohibited by applicable law. We may require a new appraisal of the Property which secures your Credit Line at any time, including an internal inspection, at our sole option and expense, except as provided for in **paragraph 24**, "Suspension or Reduction".

34. **Documentation.** You agree to execute or re-execute any document that we request in order to correct any error or omission in the original Agreement, security instrument, or other Credit Line Account related documents, including, but not limited to, Confirmatory or Corrective security instruments.

35. Transfer or Assignment. Without prior notice or approval from you, we reserve the right to sell or transfer your Credit Line Account to another lender, entity, or person, and to assign our rights under the Mortgage. Your rights under this Agreement belong to you only and may not be transferred or assigned. Your obligations, however, are binding on your heirs and legal representatives.

36. NEGATIVE INFORMATION: We may report information about your account to credit bureaus. Late payments, missed payments, or other defaults on your account may be reflected in your credit report.

37. Tax Deductibility. You understand that Lender makes no representation or warranty whatsoever concerning the tax consequences of this Credit Line Account, including the deductibility of interest, and that you should consult with your own tax advisor for guidance on this subject. You also agree that Lender shall not be liable in any manner whatsoever should the interest paid on the Credit Line Account not be deductible.

38. Governing Law. This Agreement is governed by federal law and by the laws of the state or commonwealth in which the bank is located: The Commonwealth of Massachusetts, the State of Rhode Island, the State of Connecticut, the State of New Hampshire, the Commonwealth of Pennsylvania or the State of Delaware. To the extent that federal law preempts state law, this Agreement is governed by federal law. If any provision of this Agreement conflicts with any existing or future law, it shall be deemed modified to the extent necessary to comply with such law and the validity of the remaining terms shall not be affected.

If you are a Maryland resident, this Agreement is governed by federal law and by the laws of the state or commonwealth in which the bank is located, except that to the extent, but only to such extent, that this Agreement is not governed by the laws of the state or commonwealth in which the bank is located, the provisions of Sections 12-901 *et seq.* (Credit Grantor Revolving Credit Provisions) of the Commercial Law Article of the Annotated Code of Maryland shall apply.

39. Interpretation. The names given to paragraphs or sections in this Agreement are for reference purposes only. They are not to be used to interpret or define the provision of this Agreement. You agree that this Agreement, together with the Mortgage, is the best evidence of your agreement with us. If a court finds that any provision of this Agreement is not valid or should not be enforced, that fact by itself will not mean that the rest of this Agreement will not be valid or enforced. Therefore, a court may enforce the rest of the provisions of this Agreement even if a provision of this Agreement may be found to be invalid or unenforceable. If we go to court for any reason, we can use a copy, filmed or electronic, of any periodic statement, this Agreement, the Mortgage, or any other document to prove what you owe us or that a transaction has taken place. The copy, microfilm, microfiche, or optical image will have the same validity as the original. You agree that, except to the extent you can show there is a billing error, your most current periodic statement is the best evidence of your obligation to pay.

40. Acknowledgment. You understand and agree to the terms and conditions in this Agreement. By signing this Agreement, you acknowledge that you have read this Agreement. You also acknowledge receipt of a copy of this Agreement, including the Fair Credit Billing Notice and the early Home Equity Line of Credit application disclosure, in addition to the handbook entitled "When Your Home Is On the Line: What You Should Know About Home Equity Lines of Credit," and disclosures/notices provided under applicable state law; given with the application before signing the Mortgage and before using your Credit Line Account.

If there is more than one Borrower, each is jointly and severally liable on this Agreement. This means we can require any one of you to pay all amounts due under this Agreement, including credit advances made to any of you. Each Borrower authorizes any other Borrower, on his or her signature alone, to cancel the Credit Line, to request and receive credit advances, and to do all other things necessary to carry out the terms of this Agreement. We can release any of you from responsibility under this Agreement, and the other Borrowers will remain responsible.

You, the undersigned, certify that you have insured the property as identified in Section 12, entitled "Collateral", against loss by fire in an amount sufficient to cover this lien and all superior liens, and that the policy includes extended coverage and has a standard mortgagee clause making loss payable to Citizens as its interest may appear.

You agree it is your responsibility to keep the premises, as identified in Section 12, entitled "Collateral", insured in an amount at least equal to the replacement cost of any buildings on the property, until this Agreement is paid in full.

You understand that you may purchase any required insurance through any duly licensed insurance agent and insurance company that is reasonablyacceptable to us. You are not required to deal with any of our affiliates when choosing an insurance agent or insurance company. Your choice of a particular insurance agent or insurance company will not affect our credit decision, so long as the insurance provides adequate coverage with an insurer that meets our reasonable requirements.

All documents related to insurance for this loan should be mailed to the following address:

Citizens Bank, Consumer Finance Operations
1 Citizens Drive
Riverside, RI 02915
(800)708-6680

Authorization of Payments to Third Parties

	$	158,000.00	Credit Limit
			Amount paid to others on my behalf
	$	127,830.10	Paid to CITIZENS BANK
-	$	9,481.93	Paid to CITIZENS BANK
-	$		Paid to
-	$		Paid to
-	$		Paid to
-	$		Paid to
-	$		Paid to
-	$		Paid to
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-	$		Paid to
-	$		Paid to
-	$		Paid to
-	$		Paid to
-	$		Paid to
+	$	0.00	Amount received from borrower
-	$	0.00	Total fees to be paid by borrower
-	$	20,687.97	Undisbursed Funds

You understand that no loan proceeds will be disbursed until any notice of the right to cancel time period specified has expired. You authorize disbursements listed above and acknowledge receipt of a filled in copy of this itemization of amount financed.

You acknowledge that any payoff amounts referenced in the of Authorization of Payments to Third Parties section of this Agreement were estimates based on the balances listed on your credit bureau report(s). By signing below, you authorize all handwritten changes, made to the payoff figures in this Agreement, and confirm that these changes accurately reflect the payoff figures you provided at closing.

You acknowledge that you received and read, as applicable, the Home Equity disclosure statements provided to you during the application process, which include *Important Terms, When Your Home is On the Line, Servicing Disclosure Statement, Good Faith Estimate, Right to Receive a Copy of an Appraisal, Citizens' Pledge Regarding the Responsible Use and Protection of Customer Information*, for MA residents only, *Massachusetts Mortgage Loan Disclosure, Uniform Mortgage Loan Cost Worksheet, Consumer Guide to Obtaining a Mortgage*, for CT residents only, *Mortgagor's Right to Counsel*, for RI residents only, *Choice of Title Attorney Disclosure*, for NJ residents only, *Right to Own Counsel Disclosure*, and for MD residents only, *Processing your Loan Application, Settlement Services*.

If there is more than one signer below, it is my/our intention that this account be a joint account.

You acknowledge that with your application, you provided your consent to us to check your employment and credit history with any source and to answer questions about your credit experience with us.

NOTICE TO NEW JERSEY BORROWERS: READ THIS AGREEMENT BEFORE YOU SIGN. DO NOT SIGN THIS AGREEMENT IF IT CONTAINS BLANK SPACES. THE AGREEMENT IS SECURED BY A SECONDARY MORTGAGE ON YOUR REAL PROPERTY.

This Agreement is dated 06/05/2006. THIS AGREEMENT IS SIGNED UNDER SEAL.

BORROWER:

x ______________________________
MICHAEL A DICICCO

x Stacey A. DiCicco
STACEY A DICICCO

x ______________________________

x ______________________________

Effective Disbursement Date: 06/09/2006

BILLING ERROR RIGHTS

YOUR BILLING RIGHTS

KEEP THIS NOTICE FOR FUTURE USE

This notice contains important information about your rights and our responsibilities under the Fair *Credit Billing Act*.

Notify us in case of errors or questions about your bill.

If you think your bill is wrong, or if you need more information about a transaction on your bill, write us on a separate sheet at the address checked at the beginning of this Agreement or at the address listed on the back of your bill. Write to us as soon as possible. We must hear from you no later than sixty (60) days after we sent you the first bill on which the error or problem appeared. You can telephone us, but doing so will not preserve your rights.

In your letter, give us the following information:

Your name and account number.

The dollar amount of the suspected error.

Describe the error and explain, if you can, why you believe there is an error. If you need more information, describe the item you are not sure about.

If you have authorized us to pay your bill automatically from your savings or checking account, you can stop the payment on any amount you think is wrong. To stop the payment, your letter must reach us three (3) business days before the automatic payment is scheduled to occur.

Your rights and our responsibilities after we receive your written notice.

We must acknowledge your letter within thirty (30) days, unless we have corrected the error by then. Within ninety (90) days, we must either correct the error or explain why we believe the bill was correct.

After we receive your letter, we cannot try to collect any amount you question, or report you as delinquent. We can continue to bill you for the amount you question, including finance charges, and we can apply any unpaid amount against your Credit Limit. You do not have to pay any questioned amount while we are investigating, but you are still obligated to pay the parts of your bill that are not in question.

If we find that we made a mistake on your bill, you will not have to pay any finance charges related to any questioned amount. If we didn't make a mistake, you may have to pay finance charges, and you will have to make up any missed payments on the questioned amount. In either case, we will send you a statement of the amount you owe and the date on which it is due.

If you fail to pay the amount that we think you owe, we may report you as delinquent. However, if our explanation does not satisfy you and you write to us within ten (10) days telling us that you still refuse to pay, we must tell anyone we report you to that you have a question about your bill. And, we must tell you the name of anyone we reported you to. We must tell anyone we report you to that the matter has been settled between us when it finally is.

If we don't follow these rules, we can't collect the first $50 of the questioned amount, even if your bill was correct.

Exhibit D

Citizens Bank

February 6, 2013

Michael A Dicicco
Stacey A Dicicco
3108 Dovecote Dr
Quakertown, PA 18951

Re: Line of Credit Account #6007556135

Dear Customer:

This letter is to advise you that in accordance with the terms of your original line of credit agreement your ability to write checks against the above referenced account will cease on June 9, 2013. Unfortunately after this date, we will be unable to process checks written against this account.

If you would like us to consider you for a new account, please contact our Home Lending Solutions Department at 1 (888) 325-3559 before March 11, 2013 to discuss your options. If we do not hear from you before the maturity date, we will assume the terms of your original agreement as detailed below are acceptable to you.

The terms of your agreement require that your existing principal balance of $157,372.50 will be payable over the next 180 months in equal principal payments of $874.29 plus any interest accrued during the billing cycle; or $20.00, whichever is greater. If your principal balance increases between now and then, your principal payments will increase as well.

We look forward to continue servicing your financial needs. Thank you for banking with us.

Sincerely,

Loan Servicing Representative
RBS Citizens Business Services

BANKRUPTCY NOTICE IF APPLICABLE TO ACCOUNT HOLDER:
This letter is being sent to you in accordance with applicable state law and/or contract provision. It is solely intended to notify you of possible action regarding property on which we hold a lien and is subject to any and all rights arising from a bankruptcy filing. No demand for payment is being made against you personally.

LS-37

Exhibit E

Wall Street Journal prime rate

From Wikipedia, the free encyclopedia

The **Wall Street Journal Prime Rate** (WSJ Prime Rate) is a measure of the U.S. prime rate, defined by The Wall Street Journal (WSJ) as "The base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks." It is not the 'best' rate offered by banks. It should not be confused with the federal funds rate set by the Federal Reserve, though these two rates often move in tandem. The current rate is **3.25%** (as of 11/25/2014).

The print edition of the WSJ is generally the official source of the prime rate. The Wall Street Journal prime rate is considered a trailing economic indicator. Many (if not most) lenders specify this as their source of this index and set their prime rates according to the rates published in the Wall Street Journal. Because most consumer interest rates are based upon the Wall Street Journal Prime Rate, when this rate changes, most consumers can expect to see the interest rates of credit cards, auto loans and other consumer debt change.

The prime rate does not change at regular intervals. It changes only when the nation's "largest banks" decide on the need to raise, or lower, their "base rate." The prime rate may not change for years, but it has also changed several times in a single year.

Contents

Historical data for the WSJ prime rate

1990-1999	
Date of Change	**Prime Rate**
1991	
2-Jan-91	9.50%
1-Feb-91	9.00-9.50
5-Feb-91	9.00
21-Feb-91	8.75-9.00 (BofA)
24-Apr-91	9.00
1-May-91	8.50
13-Sep-91	8.00
6-Nov-91	7.50
23-Dec-91	6.50
1992	
02-Jul-92	6.00%
1994	
24-Mar-94	6.25%
19-Apr-94	6.75
18-May-94	7.25
16-Aug-94	7.75

2000-pres	
Date of Change	**Prime Rate**
2000	
03-Feb-00	8.75%
22-Mar-00	9.00%
17-May-00	9.50%
2001	
04-Jan-01	9.00%
01-Feb-01	8.50%
21-Mar-01	8.00%
19-Apr-01	7.50%
16-May-01	7.00%
28-Jun-01	6.75%
22-Aug-01	6.50%
18-Sep-01	6.00%
03-Oct-01	5.50%
07-Nov-01	5.00%
12-Dec-01	4.75%
2002	

15-Nov-94	8.50
1995	
1-Feb-95	9.00%
7-Jul-95	8.75%
20-Dec-95	8.50%
1996	
31-Jan-96	8.25%
1997	
27-Mar-97	8.50%
1998	
30-Sep-98	8.25%
16-Oct-98	8.00%
18-Nov-98	7.75%
1999	
01-Jul-99	8.00%
25-Aug-99	8.25%
17-Nov-99	8.50%

07-Nov-02	4.25%
2003	
27-Jun-03	4.00%
2004	
01-Jul-04	4.25%
11-Aug-04	4.50%
22-Sep-04	4.75%
10-Nov-04	5.00%
14-Dec-04	5.25%
2005	
02-Feb-05	5.50%
22-Mar-05	5.75%
03-May-05	6.00%
30-Jun-05	6.25%
09-Aug-05	6.50%
20-Sep-05	6.75%
01-Nov-05	7.00%
13-Dec-05	7.25%
2006	
31-Jan-06	7.50%
28-Mar-06	7.75%
10-May-06	8.00%
29-Jun-06	8.25%
2007	
18-Sept-07	7.75%
31-Oct-07	7.50%
11-Dec-07	7.25%
2008	
22-Jan-08	6.50%
30-Jan-08	6.00%
18-Mar-08	5.25%
30-Apr-08	5.00%
08-Oct-08	4.50%
30-Oct-08	4.00%
16-Dec-08	3.25%

See also

- Wall Street Journal
- Prime rate
- Federal Reserve

References

- Various editions of the Wall Street Journal

External links

- International Prime Rates published by The Wall Street Journal Online (http://online.wsj.com/mdc/public/page/2_3020-moneyrate.html)
- HSH Associates, Financial Publishers (http://www.hsh.com/indices/prime00s.html)

Categories: Banking in the United States | Financial economics | Interest rates

Exhibit F

Citizens Bank

Print | Close

Your payment is $1,144.34 for 15 years with a rate of 3.750%.

Mortgage Summary	
Loan amount	$157,358.00
Term	15 years
Interest rate	3.750%
Monthly payment	$1,144.34
Total payments	$205,981.94
Total interest	$48,623.94

Prepayment Results

Principal prepayments on your mortgage can save you a great deal of interest. They can also shorten the time it takes to pay off your mortgage, in many cases, by several years.

Prepayment Summary	
Amount	None
Start with payment	
Total payments	
Total interest	
Interest savings	

Payment schedule

Nbr	Payment	Principal	Interest	Ending Principal Balance
				$157,358.00
1	$1,144.34	$652.60	$491.74	$156,705.40
2	$1,144.34	$654.64	$489.70	$156,050.76
3	$1,144.34	$656.68	$487.66	$155,394.08
4	$1,144.34	$658.73	$485.61	$154,735.35
5	$1,144.34	$660.79	$483.55	$154,074.56
6	$1,144.34	$662.86	$481.48	$153,411.70
7	$1,144.34	$664.93	$479.41	$152,746.77
8	$1,144.34	$667.01	$477.33	$152,079.76

9	$1,144.34	$669.09	$475.25	$151,410.67
10	$1,144.34	$671.18	$473.16	$150,739.49
11	$1,144.34	$673.28	$471.06	$150,066.21
12	$1,144.34	$675.38	$468.96	$149,390.83
13	$1,144.34	$677.49	$466.85	$148,713.34
14	$1,144.34	$679.61	$464.73	$148,033.73
15	$1,144.34	$681.73	$462.61	$147,352.00
16	$1,144.34	$683.86	$460.48	$146,668.14
17	$1,144.34	$686.00	$458.34	$145,982.14
18	$1,144.34	$688.15	$456.19	$145,293.99
19	$1,144.34	$690.30	$454.04	$144,603.69
20	$1,144.34	$692.45	$451.89	$143,911.24
21	$1,144.34	$694.62	$449.72	$143,216.62
22	$1,144.34	$696.79	$447.55	$142,519.83
23	$1,144.34	$698.97	$445.37	$141,820.86
24	$1,144.34	$701.15	$443.19	$141,119.71
25	$1,144.34	$703.34	$441.00	$140,416.37
26	$1,144.34	$705.54	$438.80	$139,710.83
27	$1,144.34	$707.74	$436.60	$139,003.09
28	$1,144.34	$709.96	$434.38	$138,293.13
29	$1,144.34	$712.17	$432.17	$137,580.96
30	$1,144.34	$714.40	$429.94	$136,866.56
31	$1,144.34	$716.63	$427.71	$136,149.93
32	$1,144.34	$718.87	$425.47	$135,431.06
33	$1,144.34	$721.12	$423.22	$134,709.94
34	$1,144.34	$723.37	$420.97	$133,986.57
35	$1,144.34	$725.63	$418.71	$133,260.94
36	$1,144.34	$727.90	$416.44	$132,533.04
37	$1,144.34	$730.17	$414.17	$131,802.87
38	$1,144.34	$732.46	$411.88	$131,070.41
39	$1,144.34	$734.74	$409.60	$130,335.67
40	$1,144.34	$737.04	$407.30	$129,598.63
41	$1,144.34	$739.34	$405.00	$128,859.29
42	$1,144.34	$741.65	$402.69	$128,117.64
43	$1,144.34	$743.97	$400.37	$127,373.67
44	$1,144.34	$746.30	$398.04	$126,627.37
45	$1,144.34	$748.63	$395.71	$125,878.74
46	$1,144.34	$750.97	$393.37	$125,127.77
47	$1,144.34	$753.32	$391.02	$124,374.45
48	$1,144.34	$755.67	$388.67	$123,618.78
49	$1,144.34	$758.03	$386.31	$122,860.75
50	$1,144.34	$760.40	$383.94	$122,100.35
51	$1,144.34	$762.78	$381.56	$121,337.57
52	$1,144.34	$765.16	$379.18	$120,572.41
53	$1,144.34	$767.55	$376.79	$119,804.86
54	$1,144.34	$769.95	$374.39	$119,034.91

55	$1,144.34	$772.36	$371.98	$118,262.55
56	$1,144.34	$774.77	$369.57	$117,487.78
57	$1,144.34	$777.19	$367.15	$116,710.59
58	$1,144.34	$779.62	$364.72	$115,930.97
59	$1,144.34	$782.06	$362.28	$115,148.91
60	$1,144.34	$784.50	$359.84	$114,364.41
61	$1,144.34	$786.95	$357.39	$113,577.46
62	$1,144.34	$789.41	$354.93	$112,788.05
63	$1,144.34	$791.88	$352.46	$111,996.17
64	$1,144.34	$794.35	$349.99	$111,201.82
65	$1,144.34	$796.83	$347.51	$110,404.99
66	$1,144.34	$799.32	$345.02	$109,605.67
67	$1,144.34	$801.82	$342.52	$108,803.85
68	$1,144.34	$804.33	$340.01	$107,999.52
69	$1,144.34	$806.84	$337.50	$107,192.68
70	$1,144.34	$809.36	$334.98	$106,383.32
71	$1,144.34	$811.89	$332.45	$105,571.43
72	$1,144.34	$814.43	$329.91	$104,757.00
73	$1,144.34	$816.97	$327.37	$103,940.03
74	$1,144.34	$819.53	$324.81	$103,120.50
75	$1,144.34	$822.09	$322.25	$102,298.41
76	$1,144.34	$824.66	$319.68	$101,473.75
77	$1,144.34	$827.23	$317.11	$100,646.52
78	$1,144.34	$829.82	$314.52	$99,816.70
79	$1,144.34	$832.41	$311.93	$98,984.29
80	$1,144.34	$835.01	$309.33	$98,149.28
81	$1,144.34	$837.62	$306.72	$97,311.66
82	$1,144.34	$840.24	$304.10	$96,471.42
83	$1,144.34	$842.87	$301.47	$95,628.55
84	$1,144.34	$845.50	$298.84	$94,783.05
85	$1,144.34	$848.14	$296.20	$93,934.91
86	$1,144.34	$850.79	$293.55	$93,084.12
87	$1,144.34	$853.45	$290.89	$92,230.67
88	$1,144.34	$856.12	$288.22	$91,374.55
89	$1,144.34	$858.79	$285.55	$90,515.76
90	$1,144.34	$861.48	$282.86	$89,654.28
91	$1,144.34	$864.17	$280.17	$88,790.11
92	$1,144.34	$866.87	$277.47	$87,923.24
93	$1,144.34	$869.58	$274.76	$87,053.66
94	$1,144.34	$872.30	$272.04	$86,181.36
95	$1,144.34	$875.02	$269.32	$85,306.34
96	$1,144.34	$877.76	$266.58	$84,428.58
97	$1,144.34	$880.50	$263.84	$83,548.08
98	$1,144.34	$883.25	$261.09	$82,664.83
99	$1,144.34	$886.01	$258.33	$81,778.82
100	$1,144.34	$888.78	$255.56	$80,890.04

101	$1,144.34	$891.56	$252.78	$79,998.48
102	$1,144.34	$894.34	$250.00	$79,104.14
103	$1,144.34	$897.14	$247.20	$78,207.00
104	$1,144.34	$899.94	$244.40	$77,307.06
105	$1,144.34	$902.76	$241.58	$76,404.30
106	$1,144.34	$905.58	$238.76	$75,498.72
107	$1,144.34	$908.41	$235.93	$74,590.31
108	$1,144.34	$911.25	$233.09	$73,679.06
109	$1,144.34	$914.09	$230.25	$72,764.97
110	$1,144.34	$916.95	$227.39	$71,848.02
111	$1,144.34	$919.81	$224.53	$70,928.21
112	$1,144.34	$922.69	$221.65	$70,005.52
113	$1,144.34	$925.57	$218.77	$69,079.95
114	$1,144.34	$928.47	$215.87	$68,151.48
115	$1,144.34	$931.37	$212.97	$67,220.11
116	$1,144.34	$934.28	$210.06	$66,285.83
117	$1,144.34	$937.20	$207.14	$65,348.63
118	$1,144.34	$940.13	$204.21	$64,408.50
119	$1,144.34	$943.06	$201.28	$63,465.44
120	$1,144.34	$946.01	$198.33	$62,519.43
121	$1,144.34	$948.97	$195.37	$61,570.46
122	$1,144.34	$951.93	$192.41	$60,618.53
123	$1,144.34	$954.91	$189.43	$59,663.62
124	$1,144.34	$957.89	$186.45	$58,705.73
125	$1,144.34	$960.88	$183.46	$57,744.85
126	$1,144.34	$963.89	$180.45	$56,780.96
127	$1,144.34	$966.90	$177.44	$55,814.06
128	$1,144.34	$969.92	$174.42	$54,844.14
129	$1,144.34	$972.95	$171.39	$53,871.19
130	$1,144.34	$975.99	$168.35	$52,895.20
131	$1,144.34	$979.04	$165.30	$51,916.16
132	$1,144.34	$982.10	$162.24	$50,934.06
133	$1,144.34	$985.17	$159.17	$49,948.89
134	$1,144.34	$988.25	$156.09	$48,960.64
135	$1,144.34	$991.34	$153.00	$47,969.30
136	$1,144.34	$994.44	$149.90	$46,974.86
137	$1,144.34	$997.54	$146.80	$45,977.32
138	$1,144.34	$1,000.66	$143.68	$44,976.66
139	$1,144.34	$1,003.79	$140.55	$43,972.87
140	$1,144.34	$1,006.92	$137.42	$42,965.95
141	$1,144.34	$1,010.07	$134.27	$41,955.88
142	$1,144.34	$1,013.23	$131.11	$40,942.65
143	$1,144.34	$1,016.39	$127.95	$39,926.26
144	$1,144.34	$1,019.57	$124.77	$38,906.69
145	$1,144.34	$1,022.76	$121.58	$37,883.93
146	$1,144.34	$1,025.95	$118.39	$36,857.98

147	$1,144.34	$1,029.16	$115.18	$35,828.82
148	$1,144.34	$1,032.37	$111.97	$34,796.45
149	$1,144.34	$1,035.60	$108.74	$33,760.85
150	$1,144.34	$1,038.84	$105.50	$32,722.01
151	$1,144.34	$1,042.08	$102.26	$31,679.93
152	$1,144.34	$1,045.34	$99.00	$30,634.59
153	$1,144.34	$1,048.61	$95.73	$29,585.98
154	$1,144.34	$1,051.88	$92.46	$28,534.10
155	$1,144.34	$1,055.17	$89.17	$27,478.93
156	$1,144.34	$1,058.47	$85.87	$26,420.46
157	$1,144.34	$1,061.78	$82.56	$25,358.68
158	$1,144.34	$1,065.09	$79.25	$24,293.59
159	$1,144.34	$1,068.42	$75.92	$23,225.17
160	$1,144.34	$1,071.76	$72.58	$22,153.41
161	$1,144.34	$1,075.11	$69.23	$21,078.30
162	$1,144.34	$1,078.47	$65.87	$19,999.83
163	$1,144.34	$1,081.84	$62.50	$18,917.99
164	$1,144.34	$1,085.22	$59.12	$17,832.77
165	$1,144.34	$1,088.61	$55.73	$16,744.16
166	$1,144.34	$1,092.01	$52.33	$15,652.15
167	$1,144.34	$1,095.43	$48.91	$14,556.72
168	$1,144.34	$1,098.85	$45.49	$13,457.87
169	$1,144.34	$1,102.28	$42.06	$12,355.59
170	$1,144.34	$1,105.73	$38.61	$11,249.86
171	$1,144.34	$1,109.18	$35.16	$10,140.68
172	$1,144.34	$1,112.65	$31.69	$9,028.03
173	$1,144.34	$1,116.13	$28.21	$7,911.90
174	$1,144.34	$1,119.62	$24.72	$6,792.28
175	$1,144.34	$1,123.11	$21.23	$5,669.17
176	$1,144.34	$1,126.62	$17.72	$4,542.55
177	$1,144.34	$1,130.14	$14.20	$3,412.41
178	$1,144.34	$1,133.68	$10.66	$2,278.73
179	$1,144.34	$1,137.22	$7.12	$1,141.51
180	$1,145.08	$1,141.51	$3.57	$0.00

- Member FDIC
- Equal Housing Lender
- Site Map
- Security, Privacy & Legal

Citizens Bank is a brand name of Citizens Bank, N.A. (NMLS ID# 433960) and Citizens Bank of Pennsylvania (NMLS ID# 522615).

Exhibit G

APPLICATION IS EVENTUALLY APPROVED AT ANY TIME BEFORE A SHERIFF'S SALE, THE FORECLOSURE WILL BE STOPPED.

AGENCY ACTION -- Available funds for emergency mortgage assistance are very limited. They will be disbursed by the Agency under the eligibility criteria established by the Act. The Pennsylvania Housing Finance Agency has sixty (60) days to make a decision after it receives your application. During that time, no foreclosure proceedings will be pursued against you if you have met the time requirements set forth above. You will be notified directly by the Pennsylvania Housing Finance Agency of its decision on your application.

NOTE: IF YOU ARE CURRENTLY PROTECTED BY THE FILING OF A PETITION IN BANKRUPTCY, THE FOLLOWING PART OF THIS NOTICE IS FOR INFORMATION PURPOSES ONLY AND SHOULD NOT BE CONSIDERED AS AN ATTEMPT TO COLLECT THE DEBT.
(If you have filed bankruptcy you can still apply for Emergency Mortgage Assistance.)

HOW TO CURE YOUR MORTGAGE DEFAULT (Bring it up to date).

NATURE OF THE DEFAULT -- The MORTGAGE debt held by the above lender on your property located at:
3108 Dovecote Drive, Quakertown, PA 18951
IS SERIOUSLY IN DEFAULT because:

A. YOU HAVE NOT MADE MONTHLY MORTGAGE PAYMENTS for the following months and the following amounts are now past due:

Monthly Charges:	07/09/2013	$ 859.34
	08/09/2013-09/09/2013 at $1,375.51 per month	$ 2,751.02
	10/09/2013	$ 1,359.35
	11/09/2013	$ 1,375.47
	12/09/2013	$ 1,359.30
	01/09/2014-02/09/14 at $1,375.46	$ 2,750.92
	03/09/2014	$ 1,326.96
	04/09/2014	$ 1,375.47
	05/09/2014	$ 1,359.29
	06/09/2014	$ 1,375.47
	07/09/2014	$ 1,359.29
	08/09/2014	$ 1,375.47
	09/09/2014	$ 1,375.46
Late Charges:		$ 320.00
	TOTAL DUE:	**$20,322.81**

B. YOU HAVE FAILED TO TAKE THE FOLLOWING ACTION: (Do not use if not applicable.)
N/A

HOW TO CURE THE DEFAULT -- You may cure the default within THIRTY (30) DAYS of the date of this notice (plus three (3) days for mailing) **BY PAYING THE TOTAL AMOUNT PAST DUE TO THE LENDER,** WHICH IS **$20,322.81**, PLUS ANY MORTGAGE PAYMENTS AND LATE CHARGES WHICH BECOME DUE DURING THE THIRTY (30) DAY PERIOD. Payments must be made either by cash, cashier's check, certified check or money order made payable and sent to:

Law Offices of Gregory Javardian
1310 Industrial Boulevard, 1st Floor/Suite 101
Southampton, PA 18966

{00118514}

Exhibit H

DiCicco
Minimum Payment Overcharges
July 9 2013-Sept 14 2014
$157,358 Loan Bal, 15 yrs, 3.75% APR

Payment Due Date	Citizens' Monthly Minimum Payment Charge*	Amortized Payment Schedule	Overcharge
Aug-13	$1,375.51	$1,144.34	$231.17
Sep-13	$1,375.51	$1,144.34	$231.17
Oct-13	$1,359.35	$1,144.34	$215.01
Nov-13	$1,375.47	$1,144.34	$231.13
Dec-13	$1,359.30	$1,144.34	$214.96
Jan-14	$1,375.46	$1,144.34	$231.12
Feb-14	$1,375.46	$1,144.34	$231.12
Mar-14	$1,326.97	$1,144.34	$182.63
Apr-14	$1,375.47	$1,144.34	$231.13
May-14	$1,359.29	$1,144.34	$214.95
Jun-14	$1,375.47	$1,144.34	$231.13
Jul-14	$1,359.29	$1,144.34	$214.95
Aug-14	$1,375.47	$1,144.34	$231.13
Sep-14	$1,375.46	$1,144.34	$231.12
Totals	**$19,143.48**	**$16,020.76**	**$3,122.72**

* Minimum Payments are from Citizens' default notice. Overcharges are continuing.